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DEPARTMENT OF EDUCATION

34 CFR Part 668

RIN 1840-AD06

[Docket ID ED-2010-OPE-0012]

Program Integrity: Gainful Employment -- Debt Measures;

Correction

AGENCY: Department of Education.

ACTION: Final Regulations; Correction.

SUMMARY: On June 13, 2011, the Secretary of Education

(Secretary) published a notice of final regulations in the

Federal Register for Program Integrity: Gainful

Employment -- Debt Measures (Gainful Employment -- Debt

Measures) (76 FR 34386). In the preamble of the final

regulations, we used the wrong data to calculate the

percent of total variance in institutions' repayment rates

that may be explained by race/ethnicity. Our intent was to

use the data that included all minority students per

institution. However, we mistakenly used the data for a

subset of minority students per institution. We have now

recalculated the total variance using the data that

includes all minority students. Through this document, we

correct, in the preamble of the Gainful Employment--Debt

Measures final regulations, the errors resulting from this

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misapplication. We do not change the regression analysis model itself; we are using the same model with the appropriate data. Through this notice we also correct, in the preamble of the Gainful Employment--Debt Measures final regulations, our description of one component of the regression analysis. The preamble referred to use of an institutional variable measuring acceptance rates. This description was incorrect; in fact we used an institutional variable measuring retention rates. Correcting this language does not change the regression analysis model itself or the variance explained by the model. The text of the final regulations remains unchanged.

DATES: These regulations are effective July 1, 2012.

FOR FURTHER INFORMATION CONTACT: John Kolotos or David

Bergeron for general information only. Telephone: (202)

502-7805. Any other questions or requests for information regarding these final regulations must be submitted to:

GEQuestions@ed.gov.

If you use a telecommunications device for the deaf (TDD) or a text telephone (TTY), call the Federal Relay Service (FRS), toll free, at 1-800-877-8339.

SUPPLEMENTARY INFORMATION:

We make the following corrections to the Gainful Employment--Debt Measures final regulations:

On page 34460, third column, we correct the phrase "(i.e., 72 percent for 4-year public institutions; 57 percent for 2-year nonprofit institutions; and 56 percent for 4-year nonprofit institutions)." to read "(i.e., 71 percent for 4-year public institutions; 64 percent for 2-year nonprofit institutions; and 61 percent for 4-year nonprofit institutions)."

On page 34461, first column, first paragraph, we correct the sentences "Similarly, in four of the nine models, the proportion of an institution's student body that was represented by students identified as racial/ethnic minorities was a statistically significant predictor. However, in no case did it explain more than approximately 13 percent of variance in repayment rates." to read "Similarly, in eight of the nine models, the proportion of an institution's student body that was represented by students identified as racial/ethnic minorities was a statistically significant predictor.

Across those models, it ranged from explaining 6.5 percent (4-year, for-profit institutions) to 37.8 percent (2-year, nonprofit institutions) of the variance in repayment rates."

On page 34461, second column, first full paragraph, we correct the phrase "72 percent" to read "71 percent".

On page 34461, second column, first full paragraph, we correct the sentence "However, when used as a sole predictor, the percentage of Pell Grant recipients was not a statistically significant predictor." to read "An institution's percentage of minority students explained 29 percent of the variance in repayment rates when used as a sole predictor."

On page 34461, second column, second full paragraph, we correct the phrase "56 percent" to read "61 percent".

On page 34461, third column, carryover paragraph, we correct the phrase "less than 2 percent" to read "31 percent".

On page 34461, third column, first full paragraph, we correct the phrase "22 percent" to read "27 percent".

On page 34461, third column, first full paragraph, we correct the sentence "The racial/ethnic composition of an institution's student body was not a statistically significant predictor when used alone to model repayment rates, and, although the percentage of students receiving Pell Grants was predictive, it explained only 7 percent of the variance in repayment rates." to read "Both the racial/ethnic composition of an institution's student body and the percentage of the students receiving Pell Grants were predictive when used alone in separate models, each

explaining about 7 percent of the variance in repayment rates."

On page 34461, third column, second full paragraph, we correct the phrase "13 percent" to read "17 percent".

On page 34461, third column, second full paragraph, we correct the phrase "(around 1 percent and 3 percent, respectively)" to read "(around 8 percent and 3 percent, respectively)".

On page 34462, first column, first paragraph, we correct the phrase "57 percent" to read "64 percent".

On page 34462, first column, second paragraph, we correct the phrase "44 percent" to read "47 percent".

On page 34462, first and second columns, we correct the sentence "Share of racial/ethnic minority enrollment was not a statistically significant predictor when used in its own model to predict repayment rates." to read "Share of racial/ethnic minority enrollment explained approximately 19 percent of the variance in repayment rates when used alone in a model to predict repayment rates."

On page 34462, second column, first full paragraph, we correct the sentences "Overall, our regression model was not statistically significant for less-than-2-year public institutions. When used as the only predictor of repayment rates, share of racial/ethnic minority enrollment

was statistically significant, explaining approximately 4 percent of the potential variance. The share of students receiving Pell grants was not statistically significant in its stand alone model." to read "Overall, none of our regression models was statistically significant for less-than-2-year public institutions."

On page 34462, second column, second full paragraph, we correct the phrase "39 percent" to read "42 percent".

On page 34462, second and third columns, we correct the sentence "Share of racial/ethnic minority enrollment was not a statistically significant predictor." to read "Share of racial/ethnic minority enrollment explained approximately 11 percent of the potential variance."

On page 34462, third column, first full paragraph, we correct the phrase "27 percent" to read "28 percent".

On page 34462, third column, first full paragraph, we correct the sentence "The percentage of students identified as racial/ethnic minorities was not statistically significant." to read "Share of racial/ethnic minority enrollment explained approximately 14 percent of the potential variance."

On page 34462, third column, second full paragraph, we correct the phrase "1 percent" to read "20 percent".

On page 34511, first column, paragraph (d), we correct the phrase "And, among 4-year institutions, a measure of institutional selectivity: An institutions acceptance rate (AcceptRate08)" to read "And, among 4-year institutions, measures of part-time (ptfall08cohortretained) and full-time (ftfall09cohortretained) retention."

On page 34461, Table 4 is corrected to read as follows:

Table 4: Summary of Multivariate Regression Analysis

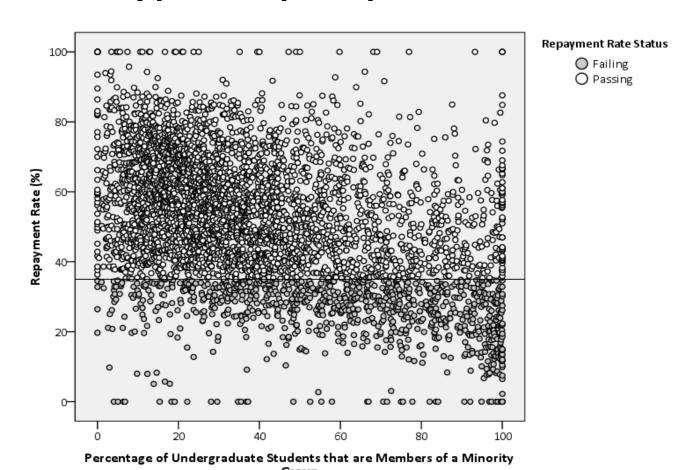
	Full Model		Pell Only		Race/Ethnicity Only	
	Predictive?	Percent of Total Variance Explained	Predictive?	Percent of Total Variance Explained	Predictive?	Percent of Total Variance Explained
4-year Institutions						
Public	Yes	71	Yes	49	Yes	29
Private Nonprofit Private For-	Yes	61	Yes	41	Yes	31
profit	Yes	27	Yes	7	Yes	7
2-year Institutions						
Public Private	Yes	17	Yes	3	Yes	8
Nonprofit Private For-	Yes	64	Yes*	39	Yes	38
profit	Yes	47	Yes	26	Yes	19
Less-than-2-y Institutions	ear					
Public Private	No		No		No	
Nonprofit Private For-	Yes	42	Yes	29	Yes	11
profit	Yes	28	Yes	16	Yes	14
Overall All						
Institutions	Yes	49	Yes	23	Yes	20

## Source: NSLDS and IPEDS

\*Table 4 included in the regulatory impact analysis published with the  $\underline{\text{Federal}}$   $\underline{\text{Register}}$  on June 13, 2011, indicated that Pell Only was not predictive among  $\underline{\text{2-year}}$  private nonprofit institutions, when it should have indicated that it was predictive.

On page 34464, Chart B is corrected to read as follows:

Chart B: Repayment Rates by Minority Student Concentration



Source: NSLDS and IPEDS

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Dated: January 18, 2012

Eduardo M. Ochoa,

Assistant Secretary for

Postsecondary Education.

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Date: 01/23/2012]